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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

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2012 MAR -1 P 4: 27

ARIZONA CORPORATION COMMISSION
DOCKET CONTROL

IN THE MATTER OF THE APPLICATION
ARIZONA-AMERICAN WATER
COMPANY, AN ARIZONA PUBLIC
SERVICE CORPORATION, FOR
APPROVAL OF LOW INCOME PROGRAM
IN THE SUN CITY WATER DISTRICT.

DOCKET NO. SW-01303A-09-0343
W-01303A-09-0343

DECISION NO. 72229

NOTICE OF COMPLIANCE FILING

In compliance with Decision No. 72229, Arizona-American Water Company doing
business as EPCOR Water¹ hereby files an annual report regarding the Sun City Low Income
Program.

RESPECTFULLY SUBMITTED on March 1, 2012.

Sandra L. Murrey

Sandra L. Murrey
Rate Analyst
EPCOR Water
2533 W. Pinnacle Peak Rd., Suite 300
Phoenix, AZ 85027

Arizona Corporation Commission

DOCKETED

MAR - 1 2012

DOCKETED BY *[Signature]*

¹ On February 1, 2012, Arizona-American Water Company was acquired by EPCOR Water.

1 Original and 13 copies **filed**
2 on March 1, 2012, with:

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4 Docket Control
5 Arizona Corporation Commission
6 1200 West Washington
7 Phoenix, Arizona 85007

8
9 Copies of the foregoing **emailed**
10 on March 1, 2012 to:

11
12 Brian K. Bozzo
13 Compliance and Enforcement Manager
14 Utilities Division
15 1200 West Washington Street
16 Phoenix, AZ 85007

**Arizona - American Water Company
Sun City Water Low Income Program
2011 Annual Report
(Covering the period of 2009-2011)**

	Arizona-American Water Company		
	<u>2009</u>	<u>2010</u>	<u>2011</u>
Beginning Balance	\$ 58,403	\$ 59,137	\$ 48,121
Add: Funding Amount from the High Block Usage	\$ 1,858	\$ 19,848	\$ 22,708
Add: Funding of SCTPA		\$ (15,000)	
Less: Discounts given to participants	\$ (1,125)	\$ (15,864)	\$ (24,999)
Less: Direct costs	\$ -	\$ -	\$ -
Less: Indirect costs	\$ -	\$ -	\$ -
Ending Balance	\$ 59,137	\$ 48,121	\$ 45,829
Number of Participants at Year End	282	370	499

	Sun City Taxpayers Association (1)		
	<u>2009</u>	<u>2010</u>	<u>2011</u>
Beginning Balance	\$ -	\$ -	\$ 15,000
Add: Funding Amount from the High Block Usage			
Add: Funding of SCTPA	\$ -	\$ 15,000	\$ -
Less: Discounts given to participants	\$ -	\$ -	\$ (7,810)
Less: Direct costs	\$ -	\$ -	\$ (1,445)
Less: Indirect costs	\$ -	\$ -	\$ -
Ending Balance	\$ -	\$ 15,000	\$ 5,745
Number of Participants at Year End	0	0	214

Note:

1) Arizona-American Water Company has contracted with the Sun City Taxpayers Association to administer Sun City's Low Income Program for condominium and multi-family unit residents.

Updated Gross Annual Income Guidelines as necessary from the Federal Government:

Household size	150%
1	\$16,755
2	22,695
3	28,635
4	34,575
5	40,515
6	46,455
7	52,395
8	58,335
For each additional person, add	\$5,940

ORDER

IT IS THEREFORE ORDERED that the application by Arizona-American Water Company for the implementation of a Sun City Water District Low Income Program for condominium residents and other multi-housing customers, as modified herein, is hereby approved.

IT IS FURTHER ORDERED that the refund credit amount shall be \$4.38 per month, and the high block funding amount shall be \$0.0251 per 1,000 gallons, to be consistent with Decision No. 72047.

IT IS FURTHER ORDERED that the low income tariff shall not include an age eligibility requirement.

IT IS FURTHER ORDERED that the Sun City Low Income Program for condominiums and other multi-housing dwellers include the following requirements and language:

- The applicant must attach a sworn affidavit to the application stating that he/she meets the annual income threshold.
- The applicant may not be claimed as a dependent on another person's tax return.
- The applicant must reapply each time he/she moves residences.
- Refusal or failure of a customer to provide documentation of eligibility acceptable to the Company, upon request by the Company or its agent, shall result in removal from this rate schedule.
- Rebilling of customers under the applicable rate schedule may occur for periods of ineligibility previously billed under the low income tariff.
- For the purposes of the program, "annual income" means the value of all money and non-cash benefits, available for living expenses, from all sources, both taxable and non-taxable, before deductions, for all people who live with the applicant in the condominium or multi-unit dwelling.

IT IS FURTHER ORDERED that Arizona-American Water Company file with Docket Control, by March each year, beginning with March 2012, an annual report detailing the number of participants for the previous calendar year, the discounts given to participants, direct and indirect costs associated with the program, collections made from the high block rate used to fund the program, and provide updated gross annual income guidelines as necessary from the federal

1 government. The report shall include the balance of the low income program (i.e., funding amount
2 from high block usage less checks sent to customers and direct and indirect costs associated with
3 the program) and shall include all supporting documentation.

4 IT IS FURTHER ORDERED that the true-up between the program costs and the funding
5 collected, as well as the reset of the high block rate, be completed as part of the Company's next
6 permanent rate case for the Sun City Water district

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